

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

**In Re: PETITION OF LYNWOOD UTILITY)
CORPORATION TO CHANGE AND)
INCREASE RATES AND CHARGES)**

DOCKET NO. 99-00507

RESPONSE TO PETITION FOR RECONSIDERATION

Comes now Lynwood Utility Corporation and submits this Response to the Petition for Reconsideration filed by Jacob C. (Chris) Martin in this case.

On May 31, 2000, Jacob C. (Chris) Martin filed a letter with the Authority which indicates that the letter is a Petition for Reconsideration of the Authority's Order entered in this matter on May 10, 2000. For the reasons set forth below, Lynwood asserts that the Petition for Reconsideration should be denied.

1. The Petition for Reconsideration was not timely filed.

The statute governing the filing of a Petition for Reconsideration of a state administrative agency decision, T.C.A. § 4-5-317, provides that a Petition for Reconsideration shall be filed within 10 days of the entry of the initial or final order in a contested case. The Order Approving Rate Increase was entered by the Authority on May 10, 2000. The Petition for Reconsideration filed by Mr. Martin was filed with the Authority on May 31, 2000. Therefore, the Petition for Reconsideration was not timely filed and should be denied.

2. Mr. Martin has no standing to file a Petition for Reconsideration.

Mr. Martin did not file a petition to intervene in this matter before the hearing and was not a party to this case. While Mr. Martin references the Cottonwood Homeowners' Association in his

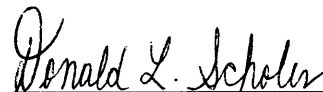
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Petition, the Cottonwood Homeowners' Association did not intervene in this case before the hearing and was not a party in this case. Therefore, Mr. Martin has no standing to file a Petition for Reconsideration of the Authority's May 10, 2000 Order. Historically, the Authority has not permitted individual residential customers of a regulated utility to intervene as a party in a pending rate case absent some special interest of such customer. To do otherwise would open rate proceedings up to literally thousands of individual customers to become intervenors and parties in a rate case. Since Mr. Martin would not been permitted to intervene in this case before the hearing, he certainly has no standing to file a Petition for Reconsideration after the entry of a final order in this case.

3. Mr. Martin's letter states no valid grounds for reconsideration.

Mr. Martin complains that the rates approved by the Authority are too high in comparison to other utilities in the vicinity. Mr. Martin complains about Lynwood "misleading" and not having "good faith dealings" with the Cottonwood homeowners. None of these issues justify the reconsideration of the rate increase granted by the Authority in its May 10, 2000 Order. The Authority and the Consumer Advocate had a full opportunity to review the financial condition of Lynwood in approving the rates set forth in it May 10, 2000 Order. While Mr. Martin may be unhappy with the Authority's decision, he has not set forth any grounds in his letter to justify a reconsideration of the May 10, 2000 Order.

Respectfully submitted,



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Certificate of Service

I hereby certify that a true and exact copy of the foregoing Response to Petition for Reconsideration has been served by United States Mail, postage prepaid upon the following on this the 8th day of June, 2000:

Jacob C. Martin
306 Cypress Court
Franklin, TN 37069

Donald L. Scholer